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To:

Cc:

Subject: FW: Rev. Rul. 2009-9 regarding treatment of theft loss from ponzi scheme

The holding in the Revenue Ruling that an investment theft loss is not subject to limitations is retroactive to at least 1984, when the law was clarified, as discussed in the ruling. The taxpayer cannot use the Revenue *Procedure* safe harbor if the loss was discovered prior to its effective date, but can take a theft loss deduction if the taxpayer qualifies under the normal rules, as set out in the Revenue Ruling.